P 091025Z SEP 97 FM AMEMBASSY COLOMBO TO SECSTATE WASHDC PRIORITY 0636 INFO AMEMBASSY KATHMANDU PRIORITY COMSEVENTHFLT CINCPACFLT PEARL HARBOR HI//N2/N3// USCINCPAC HONOLULU HI//J2/J233// JICPAC HONOLULU HI//IA4/IT3/0IX/OSS// USMISSION USUN NEW YORK CDRUSARPAC FT SHAFTER HI//APOP-IM// AMEMBASSY BANGKOK AMEMBASSY SINGAPORE AMEMBASSY PANAMA AMCONSUL KARACHI AMEMBASSY ISLAMABAD AMCONSUL CHENNAI AMEMBASSY LONDON AMEMBASSY DHAKA AMEMBASSY NEW DELHI DIA WASHINGTON DC AMEMBASSY BEIJING AMEMBASSY JAKARTA AMEMBASSY SEOUL

C O N F I D E N T I A L COLOMBO 003477

DEPT FOR SA/INS
KATHMANDU PLEASE PASS A/S INDERFURTH

E.O. 12958: DECL: 07/10/07
TAGS: MOPS PTER PREF PGOV EWWT CE
SUBJECT: LTTE ATTACKS SHIP CHARTERED BY US
COMPANY

REP: COLOMBO 2714

- 11. (U) CLASSIFIED BY: MICHAEL OWEN, ECONOMIC COUNSELOR. REASON 1.5 (D)
- INITIAL REPORTS INDICATE THAT AT (C) APPROXIMATELY 0100 LOCAL TIME SEPTEMBER 9, THE LIBERATION TIGERS OF TAMIL EELAM (LTTE) ATTACKED THE MERCHANT VESSEL "CORDIALITY" WHICH WAS ANCHORED OFF THE NORTHEAST COAST OF SRI LANKA NEAR THE TOWN OF PULMODDAI, APPROXIMATELY 30 MILES NORTH OF TRINCOMALEE. UP TO 20 PEOPLE HAVE BEEN REPORTED KILLED, WOUNDED OR MISSING IN THE ATTACK, INCLUDING LOCAL WORKERS, FOREIGN CREWMEN (POSSIBLY CHINESE), AND ARMED FORCES PERSONNEL GUARDING THE SHIP. THERE WERE NO REPORTS OF AMCITS ON BOARD. BY LATE MORNING OF SEPTEMBER 9, THE SHIP'S ENGINE ROOM WAS REPORTEDLY ON FIRE AND THE SHIP IN DANGER OF SINKING. SRI LANKAN NAVY PERSONNEL WERE ATTEMPTING TO EXTINGUISH THE FIRE.
- 13. (C) THE M/V CORDIALITY IS REPORTEDLY OWNED BY THE CHINA OCEAN SHIPPING COMPANY, A CHINESE STATE-OWNED ENTERPRISE; IT WAS REGISTERED IN PANAMA AND FLYING A PANAMANIAN FLAG. THE SHIP WAS UNDER CHARTER BY THE U.S. COMPANY "ACI CHEMICALS, INC." OF GREAT NECK, NEW YORK, TO TRANSPORT 30,000 TONS OF ILMENITE, A MINERAL SAND, FROM SRI LANKA TO ROTTERDAM AND THEN, POSSIBLY, TO THE UNITED STATES.
- 14. (C) COMMENT: THIS IS THE THIRD INCIDENT INVOLVING CIVILIAN SHIPPING SINCE JULY 1 (SEE REFTEL), BUT THE FIRST OCCASION WHEN A SHIP SAILING UNDER U.S. CHARTER HAS BEEN ATTACKED. IT IS DOUBTFUL THAT THE LTTE WOULD HAVE BEEN AWARE THAT THERE WERE U.S. INTERESTS AT STAKE WHEN ITS CADRES ATTACKED THE "CORDIALITY". HOWEVER, IT HAS BECOME INCREASINGLY CLEAR THAT THE LTTE IS WILLING TO ATTACK FOREIGN

INTERESTS IN ITS EFFORTS TO INTERDICT SHIPPING TO THE NORTH. END COMMENT.

SMYTH